

WEEKLY

industry and society

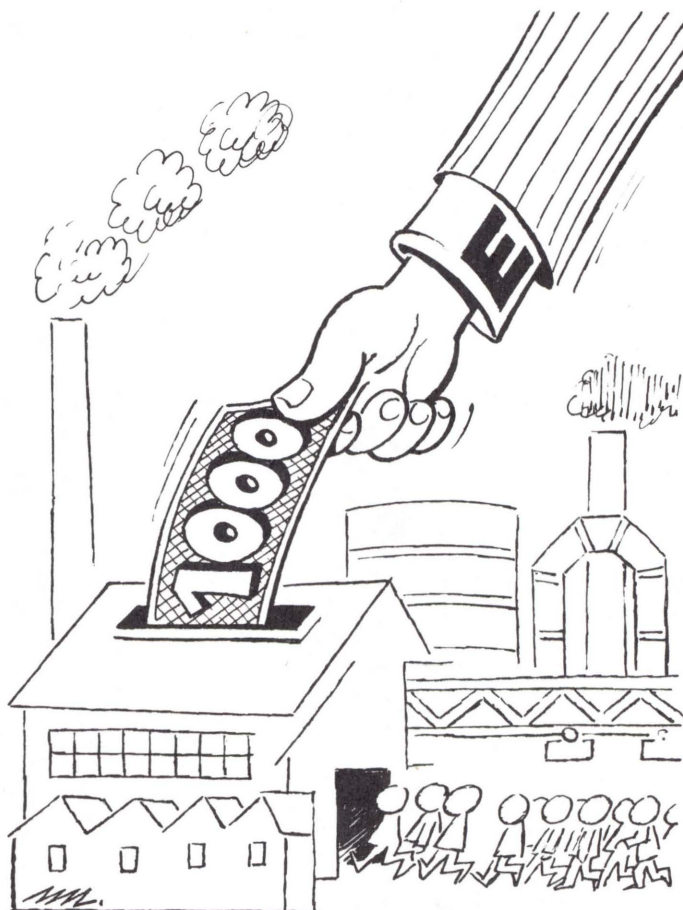
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****If the Community is to win THE FIGHT AGAINST UNEMPLOYMENT, it must attack on all fronts.**
The European Commission recently presented a proposal to the Council of Ministers for a new form of intervention by the European Social Fund. The Commission is also making

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The information published in this bulletin covers the European Communities' activities in the fields of industrial development, protection of the environment and consumer welfare. It is therefore not limited to recording Commission decisions or opinions.

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every effort to achieve greater coordination of national employment policies.

ANNEX 1 describes the various measures which the Commission contemplates taking.

****All Member States assign a large part of their gross national product (GNP) to SOCIAL SECURITY.**

ANNEX 2 contains a number of comparative tables showing the major items of social security expenditure: pensions, unemployment and sickness benefit, and paid holidays.

****Registered UNEMPLOYMENT figures in Member States are as follows:**

Country	Month	1974	1975	1975/74
Belgium	March	96 065 (3.8%) ¹	156 009 (6.0%) ¹	+ 59 944 (+ 62%)
Denmark	February	32 100 (3.9%) ³	107 800 (12.2%) ³	+ 75 700 (+ 236%)
Germany	March	561 762 (2.5%) ²	1 114 048 (4.9%) ²	+ 552 286 (+ 98%)
France	February	465 700 (2.8%) ²	769 900 (4.6%) ²	+ 304 200 (+ 65%)
Ireland	March	70 029 (6.2%) ¹	94 606 (8.4%) ¹	+ 24 577 (+ 35%)
Italy	January	1 078 700 (5.4%) ¹	1 105 900 (5.7%) ¹	+ 27 200 (+ 3%)
Luxembourg	February	35	230	+ 195
Netherlands	March	132 786 (3.5%) ²	190 278 (5.0%) ²	+ 57 492 (+ 43%)
Gt. Britain) } } UK	March	590 074 (2.6%) ¹	768 362 (3.4%) ¹	+ 178 288 (+ 30%)
N. Ireland)	March	28 412 (5.6%) ¹	34 268 (6.7%) ¹	+ 5 856 (+ 21%)

¹% calculated on basis of working population.

²% calculated on basis of total number of wage-earners.

³% calculated on basis of persons registered for unemployment insurance.

****The European Commission has drawn up an inventory, published recently in report form, of the legislative sources and authorization procedures for the construction and operation of NUCLEAR INSTALLATIONS. As can be seen from this report, separate authorizations are required in Belgium and Luxembourg, one for construction and the other for the operation of nuclear installations, which are classified according to the degree of hazard involved. Germany also issues separate authorizations in respect of construction and operation, but makes no distinction in terms of the hazard involved. In Great Britain there is only one single authorization, the "site licence", which is successively adapted during construction. In Denmark and Ireland no detailed legislation on the subject exists. As national administrative practices rarely remain static, the Commission intends to update the report at regular intervals.**

This document, which is published in English under reference EUR 5284 e is obtainable from the Office for Official Publications of the European Communities, Boite postale 1003 - Luxembourg, price Bfrs 250.

****CONSUMER PRICE INDEX FOR JANUARY 1975 (1970 = 100)**

	<u>G</u>	<u>F</u>	<u>I</u>	<u>N</u>	<u>B</u>	<u>L</u>	<u>GB</u>	<u>Irl</u>	<u>Dk</u>
General index	131	146	163	145	143	135	164		152
Bread	138	152	168	154	147	140			169
Meat	121	144	168	126	130	128	191		153
Milk, butter, cheese	128	148	164	139	129	134	140		160
Fruit and vegetables	140	157	169	131	122	125			145
Rent and water charges	128	138	110	141			148		143
Clothing, footwear	134	144	168	150	138	135	160		139
Household equipment	129	136	160	134	130	123	149		151
Fuel and energy	159	169	173	161	155	133	162		219
Services	137	148	158	163	158	146			158

****The European Commission recently authorized a significant move towards CONCENTRATION in the SPECIAL STEELS sector: Fried. Krupp Hüttenwerk AG (Bochum) has become a majority shareholder in Stahlwerke Südwestfalen AG (Huttental-Geisweid). FKH and SSW are two of the major producers of special steels, with an annual production of 766 000 and 900 000 metric tons respectively, amounting to 10% of the Community output of special steels. This concentration will not have any marked effect on the ordinary steels market. The European Commission will ensure that freedom of competition is maintained in this sector. The new group will have to obtain various prior authorizations, if it wants to acquire a shareholding exceeding a specified figure in other firms operating in the same sector.**

****SMALL- AND MEDIUM-SIZED FIRMS** may also make use of the financing facilities offered by Community institutions (see I&S No 16/75). The ECSC, the European Investment Bank, the European Regional Development Fund, European Social Fund and European Agricultural Guidance and Guarantee Fund all exist to help the European economy. But it is not enough to know that they exist - how to use them is the question. There is a document available describing the purpose of each institution, the types of operation eligible for assistance, the form in which assistance is granted, together with the method of applying, the criteria for assessing applications for loans, and the organizations involved. These documents may be obtained free of charge on application to the European Commission, Directorate-General for Information, Division for Industrial Information - 200, rue de la Loi, 1049 Brussels.

****THE COMMUNITY'S EXTERNAL TRADE DEFICIT** despite the recent improvement in the terms of trade, is still pronounced. For 1975 as a whole the total deficit of the deficit member countries could, however, be reduced fairly substantially - from US \$24 000 million in 1974 to 18 500 million in 1975. It is unlikely however that the external balances of the surplus countries, the Federal Republic of Germany and the Netherlands in particular, will change significantly. The total current balance of payments deficit of the Community, which reached US \$14 000 million in 1974 could drop to between US \$8 000 and 9 000 million in 1975.

****The type approval of PESTICIDES** is the subject of a proposal at present being prepared by the Commission for adoption by the Council of Ministers before 1 January 1976. On 31 December 1974 the Commission also forwarded to the Council of Ministers a proposal for a directive on the classification, packaging and labelling of pesticides, likewise scheduled for adoption by the Council before 1 January 1976.

****We would draw your attention to the following items of interest published in the OFFICIAL JOURNAL OF THE EUROPEAN COMMUNITIES** (from 7 February 1975 to 11 April 1975):

1. Industrial affairs

Council Resolution of 4 March 1975 on concerted action and consultation between the Member States on industrial policy in the aeronautical sector (OJ No C 59, 13 March 1975);

Opinion of the Economic and Social Committee on the communication to the Council on the problems of the pulp, paper and paperboard industry (delivered on 30 January 1975) (OJ No C 62, 15 March 1975).

2. Social affairs

Council Regulation of 10 February 1975 relating to the organization of a survey of labour costs in industry (OJ No L 37, 12 February 1975);

Council Regulation of 10 February 1975 establishing a European Centre for the Development of Vocational Training (OJ No L 39, 13 February 1975);

Council Directive of 10 February 1975 on approximation of the laws of the Member States relating to the application of the principle of equal pay for men and women (OJ No L 45, 19 February 1975):

Council Directive of 17 February 1975 on approximation of the laws of the Member States relating to collective redundancies (OJ No L 48, 22 February 1975).

3. Approximation of legislation

Council Directive of 19 December 1974 relating to the making-up by volume of certain prepackaged liquids (OJ No L 42, 15 February 1975);

Council Directive of 19 December 1974 relating to bottles used as measuring containers (OJ No L 42, 15 February 1975);

Council Directive of 4 March 1975 on cocoa and chocolate products intended for human consumption (OJ No L 64, 11 March 1975);

Opinion of the Economic and Social Committee delivered on 30 January 1975

on the proposal for a Council Directive relating to the braking devices of wheeled agricultural or forestry tractors;

on the proposal for a Council Directive concerning road and rail transport tanks used as measuring containers;

on the proposal for a Council Directive relating to welded unalloyed steel gas cylinders;

on the proposal for a Council Directive relating to seamless aluminium alloy gas cylinders;

on the proposal for a Council Directive relating to the permissible sound level and the exhaust system of motor vehicles (OJ No C 62, 15 March 1975).

4. Environment

Proposal for a Council Directive relating to pollution of sea water and fresh water for bathing (quality objectives) (submitted to the Council by the Commission on 7 February 1975) (OJ No C 67, 22 March 1975).

5. Consumers

Council Regulation of 27 February 1975 on the sale of butter at reduced prices to persons receiving social assistance (OJ No L 52, 28 February 1975);

Commission Regulation of 28 February 1975 on the sale of butter at reduced prices for use in the manufacture of pastry products and ice cream (OJ No L 55, 1 March 1975).

****The PAUL FINET Foundation has just awarded a further 245 scholarships totalling Bfrs 2 110 000. Almost 400 applications were received from the children of workers in an ECSC industry who died as a result of industrial injury or occupational disease. The amount of the scholarship is determined on a case to case basis, taking into account the candidate's means and the level and costs of his studies or training. New applications for the school year 1974/75 should be sent, before 10 May 1975, to the Secretariat of the Paul Finet Foundation, Commission of the European Communities, Centre Louvigny, Luxembourg.**

****The European Commission is organizing a medical symposium to be held in Luxembourg on 2 and 3 July 1975 on the theme "Chronic respiratory diseases - INDUSTRIAL MEDICINE". The agenda will include presentation and discussion of the results of the ECSC research programme on "chronic respiratory diseases". Applications for participation in this seminar should be sent to the Commission of the European Communities, Conference Organization Bureau, Centre européen du Kirchberg, Luxembourg.**

****The CONCAWE Foundation¹ has published a handbook on the cleansing of soil and continental water, polluted by HYDROCARBONS. This document has been prepared for the use of organizations and individuals responsible for cleaning and purification operations on soil and water, following, for instance, the accidental spillage of petroleum products. In addition to some practical recommendations and technical advice the handbook contains theoretical data on some of the characteristics of hydrocarbons, including the way they seep into soil, and form slicks on the surface of water. The manual is obtainable from the CONCAWE Foundation, 60 Van Hogenhoucklaan, The Hague 2018.**

¹ Foundation for the Conservation of Clean Air and Water in Western Europe.

WINNING THE FIGHT AGAINST UNEMPLOYMENT

As part of its effort to tackle present difficulties as regards employment the European Commission proposes to implement a new form of intervention by the Social Fund.

Article 4 of the Social Fund Statute states that the Fund can take action when the employment situation "calls for specific joint action to improve the balance between the supply of and demand for manpower within the Community".

The draft Council Decision which the Commission is proposing would allow the Social Fund to grant assistance for certain schemes aimed at helping persons, seeking stable employment, to acquire new skills and where necessary to change their place of employment. Although observers are not all agreed on the nature and expected duration of the recession, or crisis, affecting the Community, it is generally acknowledged that the economic phenomena have brought to the surface growing problems of structural adjustment or readaptation. At the employment level these structural changes will inevitably entail greater mobility of labour, involving not only gravitation towards new areas of activity but also the transfer of personnel within firms and sectors undergoing reconversion or diversification.

Retraining schemes qualifying for aid from the Social Fund would be those which encourage:

- (i) development of activities linked to structural changes in the energy sector;
- (ii) promotion of activities corresponding to priority Community needs;
- (iii) necessary changes in sectors or branches with structural problems seriously affecting employment. Unless unemployment trends and sectoral employment prospects are suddenly reversed, the Commission expects that such sectors and branches will include those frequently referred to in recent consultations at Community level, i.e., the car, building and textile industries plus some sectors of the chemical industry, and certain associated or subcontracted activities.

Every operation requiring assistance from the Social Fund will have to form part of a group of projects which in turn are part of a programme drawn up either at sectoral, national or regional level, or even within the firm itself, the economic background and scope of the adaptation and development action being indicated. The Commission hopes thereby to ensure that operations receiving assistance from the Fund offer adequate guarantees in the matter of feasibility and effectiveness within the national context, and that it will be possible for them to be adapted gradually so as to be consistent with Community economic and social guidelines.

The Commission proposes that priority be given to operations carried out in regions where unemployment is rife and benefiting those most affected thereby, i.e., young persons under

twenty-five and women who are unemployed or seeking employment. These two categories are traditionally the most vulnerable in times of crisis or recessions. This meets the desire expressed at the "Summit" meeting of Heads of Government held in Paris in December 1974 that the Council would at the appropriate time study the possibility of increasing the resources of the Social Fund, to take account of "the problems of the regions and categories of workers most affected by employment difficulties".

Coordination of employment policies

If the Community is to win the fight against unemployment, it must make provision for more rapid and accurate diagnoses, and identify the areas requiring effective priority action. This presupposes greater familiarity with the employment market and its foreseeable trends, as well as, where possible, increased coordination of national employment policies.

With this in mind the Commission intends to implement a work programme which, in 1975 and 1976, will concentrate on four main tasks.

1. Exchange of information on the employment problems, prospects and priorities in each country. A system of periodic meetings of senior officials responsible for employment in Member States has already been initiated; these encourage the decompartmentalization of a sector of national life of other countries, in which, however much it might be desired, it was not easy to gain an insight into the experiences.
2. Joint examination of the employment problems of certain categories of workers (women, young workers and migrants). Such measures would make it easier to coordinate immigration policies as already suggested by the Commission in its programme for migrant workers and their families. It would also give added stimulus to Community efforts to promote youth employment.
3. Examination of the role of national and Community instruments of employment policy. It is proposed initially to study the possibility of improving cooperation between national placement services, in an attempt to consolidate the European system for the compensation of supply and demand of labour (SEDOC). Other forms of action might include investigation of the impact of vocational training on employment and the way in which employment legislation can assist the necessary redeployment of manpower and resources. For example, would a change in existing working hours and retirement age alleviate unemployment or short-time working, through a more effective share-out of the demand for manpower?

4. Consideration of medium-term prospects. Present employment difficulties raise certain major problems for the Community, quite apart from the immediate effects. These include the achievement of full employment under the new conditions of economic growth, the consequences for full employment of the slow-down in immigration and job enrichment possibilities. The first of the reports on medium-term prospects will be available shortly and could lead to some worthwhile observations.

SOCIAL SECURITY IN THE EUROPEAN COMMUNITY

All Member States assign a large part of their gross national product (GNP) to social security. The comparative tables given below show the major items of social security expenditure: old-age pensions, unemployment and sickness benefits and paid holidays.

1. Percentage of GNP assigned to social security

COUNTRY	1970	1971	1972
Belgium	18.0	18.4	19.2
Germany	20.3	21.2	22.1
France	18.3	18.5	18.7
Italy	18.7	20.1	22.4
Luxembourg	17.2	19.1	20.0
Netherlands	20.4	21.6	22.7
United Kingdom	16.2	16.6	17.1
Ireland	13.0	13.5	13.4
Denmark	19.3	21.1	20.8

2. Pensions on award for single persons (with 40 years' service)

		<u>% annual earnings</u>
Belgium		60
Denmark	fixed sum equivalent to	34
Germany		60
France	+ supplementary schemes	40 (50 in 1975)
Ireland	fixed sum equivalent to	32
Italy		74 (80 in 1975)
Luxembourg	+ fixed basis sum	64
Netherlands	fixed sum equivalent to	48
United Kingdom	fixed sum equivalent to	30

3. Unemployment benefit (rate of benefit for workers in the general scheme covering most insured workers)

COUNTRY	NORMAL RATE	MAXIMUM
Belgium	60% of salary	Bfrs 452 per day
Germany	62.5% - 80% of salary	DM 2 500 per month
France	90% of gross salary	
Italy	Lit 800 per day	
Luxembourg	60% of salary	Lfrs 42 767 per month
Netherlands	80% of salary	F1 155.70 per day
United Kingdom	£8.60 + earnings related supplement per week	varies according to family situation
Ireland	£7.75 + 40% reckonable earnings between £14-50 per week	total not to exceed reckonable weekly earnings
Denmark	90% of average earnings	Dkr 160 per day (1.1.1975)

4. Sickness benefit (rate of benefit for workers in the general scheme covering most insured workers)

COUNTRY	RATE % OF EARNINGS	LIMITATIONS
Belgium	60	maximum one year
Germany	65-75	for same illness limited to 78 weeks over 3 year period
France	without hospitalization 50	normally 1 year maximum
Italy	50-66.2/3	maximum 6 months per year
Luxembourg	normal gross salary	52 weeks maximum
Netherlands	80	one year, maximum earnings calculated on basis of F1 778.50
United Kingdom	£8.60 per week + earnings related supplement and dependants' allowances	312 days excluding Sundays
Ireland	£7.75 per week + earnings related supplement	based on contribution record
Denmark	90	Dkr 792 per week

5. Paid holidays

Country	Legal minimum days/year 1973	National agreements days/year 1973
Belgium	18	20-22
Germany	15-18	18-24
France	24	24
Italy	12	14-20
Luxembourg	18-24	18-24
Netherlands	15-18	17-20
United Kingdom	-	15-18
Ireland	12	18
Denmark	24	24